39.103 Modular contracting.

- (a) This section implements Section 5202, Incremental Acquisition of Information Technology, of the Clinger-Cohen Act of 1996 (Public Law 104-106). Modular contracting is intended to reduce program risk and to incentivize contractor performance while meeting the Governments need for timely access to rapidly changing technology. Consistent with the agency's information technology architecture, agencies should, to the maximum extent practicable, use modular contracting to acquire major systems (see 2.101) of information technology. Agencies may also use modular contracting to acquire non-major systems of information technology.
- (b) When using modular contracting, an acquisition of a system of information technology may be divided into several smaller acquisition increments that—
- (1) Are easier to manage individually than would be possible in one comprehensive acquisition;
- (2) Address complex information technology objectives incrementally in order to enhance the likelihood of achieving workable systems or solutions for attainment of those objectives;
- (3) Provide for delivery, implementation, and testing of workable systems or solutions in discrete increments, each of which comprises a system or solution that is not dependent on any subsequent increment in order to perform its principal functions;
- (4) Provide an opportunity for subsequent increments to take advantage of any evolution in technology or needs that occur during implementation and use of the earlier increments; and
- (5) Reduce risk of potential adverse consequences on the overall project by isolating and avoiding custom-designed components of the system.
- (c) The characteristics of an increment may vary depending upon the type of information technology being acquired and the nature of the system being developed. The following factors may be considered:
- (1) To promote compatibility, the information technology acquired through modular contracting for each increment should comply with common or

- commercially acceptable information technology standards when available and appropriate, and shall conform to the agency's master information technology architecture.
- (2) The performance requirements of each increment should be consistent with the performance requirements of the completed, overall system within which the information technology will function and should address interface requirements with succeeding increments.
- (d) For each increment, contracting officers shall choose an appropriate contracting technique that facilitates the acquisition of subsequent increments. Pursuant to Parts 16 and 17 of the Federal Acquisition Regulations, contracting officers shall select the contract type and method appropriate to the circumstances (e.g., indefinite delivery, indefinite quantity contracts, single contract with options, successive contracts, multiple awards, task order contracts). Contract(s) shall be structured to ensure that the Government is not required to procure additional increments.
- (e) To avoid obsolescence, a modular contract for information technology should, to the maximum extent practicable, be awarded within 180 days after the date on which the solicitation is issued. If award cannot be made within 180 days, agencies should consider cancellation of the solicitation in accordance with 48 CFR 14.209 or 15.206(e). To the maximum extent practicable, deliveries under the contract should be scheduled to occur within 18 months after issuance of the solicitation.

[63 FR 9068, Feb. 23, 1998]

39.104 Information technology services.

When acquiring information technology services, solicitations must not describe any minimum experience or educational requirement for proposed contractor personnel unless the contracting officer determines that the needs of the agency—

(a) Cannot be met without that requirement; or

39.105

(b) Require the use of other than a performance-based acquisition (see subpart 37.6).

[66 FR 22085, May 2, 2001; 71 FR 218, Jan. 3, 2006]

39.105 Privacy.

Agencies shall ensure that contracts for information technology address protection of privacy in accordance with the Privacy Act (5 U.S.C. 552a) and part 24. In addition, each agency shall ensure that contracts for the design, development, or operation of a system of records using commercial information technology services or information technology support services include the following:

- (a) Agency rules of conduct that the contractor and the contractor's employees shall be required to follow.
- (b) A list of the anticipated threats and hazards that the contractor must guard against.
- (c) A description of the safeguards that the contractor must specifically provide.
- (d) Requirements for a program of Government inspection during performance of the contract that will ensure the continued efficacy and efficiency of safeguards and the discovery and countering of new threats and hazards.

39.106 Year 2000 compliance.

When acquiring information technology that will be required to perform date/time processing involving dates subsequent to December 31, 1999, agencies shall ensure that solicitations and contracts—

- (a)(1) Require the information technology to be Year 2000 compliant; or
- (2) Require that non-compliant information technology be upgraded to be Year 2000 compliant prior to the earlier of
- (i) The earliest date on which the information technology may be required to perform date/time processing involving dates later than December 31, 1999, or
 - (ii) December 31, 1999; and
- (b) As appropriate, describe existing information technology that will be used with the information technology to be acquired and identify whether the

existing information technology is Year 2000 compliant.

[62 FR 274, Jan. 2, 1997]

39.107 Contract clause.

The contracting officer shall insert a clause substantially the same as the clause at 52.239–1, Privacy or Security Safeguards, in solicitations and contracts for information technology which require security of information technology, and/or are for the design, development, or operation of a system of records using commercial information technology services or support services.

[61 FR 41470, Aug. 8, 1996. Redesignated at 62 FR 274, Jan. 2, 1997]

Subpart 39.2—Electronic and Information Technology

SOURCE: 66 FR 20897, Apr. 25, 2001, unless otherwise noted.

39.201 Scope of subpart.

- (a) This subpart implements section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d), and the Architectural and Transportation Barriers Compliance Board Electronic and Information Technology (EIT) Accessibility Standards (36 CFR part 1194).
- (b) Further information on section 508 is available via the Internet at http://www.section508.gov.
- (c) When acquiring EIT, agencies must ensure that—
- (1) Federal employees with disabilities have access to and use of information and data that is comparable to the access and use by Federal employees who are not individuals with disabilities; and
- (2) Members of the public with disabilities seeking information or services from an agency have access to and use of information and data that is comparable to the access to and use of information and data by members of the public who are not individuals with disabilities.

39.202 Definition.

Undue burden, as used in this subpart, means a significant difficulty or expense.